

(2) No claim shall lie against the commissioner or any other person for any damage or inconvenience caused by the exercise of the power given under this section or by the use of the force necessary for the purpose of carrying out the provisions of this section.

472. Time for complying with order and power to enforce in default.—(1) Whenever by any notice, requisition or order made under this Act or under any rule, bye-law or regulation made under it, any person is required to execute any work, or to take any measures or do anything, a reasonable time shall be named in such notice, requisition or order within which the work shall be executed, the measures taken, or the thing done.

(2) If such notice, requisition or order is not complied with within the time so named, then whether or not a fine is provided for such default and whether or not the person in default is liable to punishment or has been prosecuted or sentenced to any punishment for such default, the commissioner may cause such work to be executed, or may take any measure or do anything which may, in his opinion, be necessary for giving due effect to the notice, requisition or order as aforesaid.

(3) If no penalty has been specially provided in this Act, for failure to comply with such notice, the said person shall, on conviction, be punished with fine not exceeding fifty rupees for such offence.

473. Recovery of expenses from persons liable and limitation or liability of occupier.—(1) The commissioner may recover any reasonable expenses incurred under section 472 from the person or any one of the persons to whom the notice, requisition or order was addressed in the same manner as the tax on buildings or lands and may, in executing work or taking measures under section 472, utilise any materials found on the property concerned or may sell

them and apply the sale proceeds in or towards the payment of the expenses incurred.

(2) If the person to whom notice is given is the owner of the property in respect of which it is given, the commissioner may (whether any action or other proceeding has been brought or taken against such owner or not) require the person if any, who occupies such property, or any part thereof, under the owner to pay to the corporation instead to the owner the rent payable by him in respect of such property, as it falls due, up to the amount recoverable from the owner under sub-section (1) or to such smaller amount as the commissioner may think proper, and any amount so paid shall be deducted from the amount payable by the owner.

(3) For the purpose of deciding whether action should be taken under sub-section (2) the commissioner may require any occupier of property to furnish information as to the sum payable by him as rent on account of such property and as to the name and address of the person to whom it is payable; and such occupier shall be bound to furnish such information.

(4) The provisions of this section shall not affect any contract made between any owner and occupier respecting the payment of expenses of any such work as aforesaid.

474. Recovery of surcharges and charges how made.—

(1) Every sum certified by the auditor to be due from any person under rule 16 of Schedule X shall be paid by such persons into the treasury or bank in which the funds of the corporation are lodged, within one month from the receipt by him of the decision of the commissioner, unless within that time such person has applied to the court or to the Government as provided in rule 15 of Schedule X.

(2) The said sum, if not duly paid, or if an application has been made to the court or to the Government against the decision of the auditor as provided rules 15 or 16 of

Schedule X such sum as the court or the Government shall declare to be due, shall be recoverable, on an application made by the commissioner to the court, in the same amount manner as an amount decreed by the court in favour of the commissioner.

475.. Power of commissioner to agree to receive payment of expenses in instalments.—Instead of recovering any such expenses as aforesaid in the manner provided under section 480 the commissioner may, if he thinks fit and with the approval of the standing committee take an agreement from the person liable for the payment thereof, to pay the same in instalments of such amounts and at such intervals as will secure the payment of the whole amount due, with interest thereon at the rate of nine per cent per annum, within a period of not more than five years.

476. Power to declare expenses on certain works as improvement expenses.—If the expenses to be recovered have been incurred or are to be incurred in respect of any work mentioned—

(a) in section 211, section 267, section 268, section 269, section 276, clause (b) of sub-section (1) of section 301, section 312, sub-section (1) and (2) of section 357, section 361, section 366, section 405 or section 496 ; or

(b) in any rule made under this Act in which this section is made applicable to such expenses, the commissioner may, if he thinks fit and with the approval of the standing committee, declare such expenses to be improvement expenses.

477. Improvement expenses by whom payable.—(1) Improvement expenses shall be a charge on the premises, in respect of which or for the benefit of which the same shall have been incurred and shall be recoverable in instalments of such amounts, and at such intervals. as will suffice to discharge such expenses together with interest thereon within such period not exceeding twenty years as the commissioner may in each case determine.

(2) The said instalments shall be payable by the owner or occupier of the premises on which the expenses are charged :

Provided that when the occupier pays any such instalment he shall be entitled to deduct the amount thereof from the rent payable by him to the owner or to recover the same from the owner.

478. Redemption of charge for improvement expenses.—At any time before the expiration of the period for the payment of any improvement expenses, the owner or occupier of the premises on which the expenses are charged may redeem such charge by paying to the commissioner such part of the said expenses as are still payable.

479. Relief to agents and trustees.—(1) Where an agent, trustee, guardian, manager or receiver would be bound to discharge any obligation imposed by this Act, or any rule, bye-law, regulation or order made under it for the discharge of which money is required, he shall not be bound to discharge the obligation unless he has, or but for his own improper act or default might have had, in his hands funds belonging to the principal or beneficial owner sufficient for the purposes.

(2) The burden of proving the facts entitling any person to relief under this section shall lie on him.

(3) When any person has claimed and established his right to relief under this section, the commissioner may give him notice to apply to the discharge of such obligation as aforesaid the first moneys which shall come to his hands on behalf of or for the use of the principal or beneficial owner, as the case may be ; and should he fail to comply with such notice he shall be deemed to be personally liable to discharge such obligation.

480. Recovery of sums due as taxes.—All costs damages, penalties, compensation, charges, fees, rents, expenses, contributions and other sums which under this Act or any rule, bye-law or regulation made thereunder or any other law or under any contract including a contract in respect of water-supply or drainage made in accordance with this Act, and the rules, bye-laws and regulations are due by any person to the corporation they shall, if there is no special provision in this Act for their recovery be demanded by bill, containing particulars of the demand and notice of the liability incurred in default of payment and may be recovered in the manner provided in Chapter XIII unless within fifteen days from the date of service of the bill such person shall have applied to the court of the District Judge having jurisdiction, under section 481.

481. Determination by District Court of sums payable.—Where in any case not provided for in section 485 any municipal authority or any person is required by or under this Act or any rule, bye-law, regulation or contract made under it to pay any costs, damages, penalties, compensation, charges, fees, rents, expenses, contributions, or other sums referred to in section 480, the amount or apportionment of the same, shall, in case of dispute, be ascertained and determined except as it is otherwise provided in sections 217, 437 or 494 or in the Land Acquisition Act, 1894, by the court of the District Judge having jurisdiction on application made to him for this purpose at any time within six months from the date when such costs, damages, penalties, compensation, charges, fees, rents, expenses, contributions, or other sums first became payable.

482. Proceedings before District Court.—(1) On an application under the provisions of section 481, the District Court shall summon the other party to appear before it.

(2) On the appearance of the parties or, in the absence of any of them, on proof of due service of the

summons, the District Judge may hear and determine the case.

(3) In every such case the District Judge shall determine the amount of the costs and shall direct by which of the parties the same shall be paid.

483. Recovery of sums payable by distress.—If the sum due on account of costs, damages, penalties, compensation, charges, fees, rents, expenses, contribution or other sums ascertained in the manner described in section 482 is not paid by the party liable within fifteen days after demand, such sum may be recovered under a warrant of the District Court, by distress and sale of the movable property of such party.

484. Limitation for recovery of dues.—No distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any sum due to the corporation under this Act after the expiration of a period of three years from the date on which distraint might first have been made, a suit might first have been instituted or prosecution might first have been commenced, as the case may be, in respect of such sum.

485. Procedure in dealing with surplus sale proceeds.—If any property, movable or immovable, is sold, under the provisions of this Act, and if there is a surplus after the sum due to the corporation and the costs have been deducted from the sale proceeds, such surplus shall, if the owner of the property sold claims it within three years from the date of the service or sending of the notice regarding such surplus be paid to him by the commissioner, but if no such claim is preferred within such time, the said surplus shall be credited to the corporation fund and no suit shall lie for the recovery of any sum so credited.

486. Power of Government to direct person in custody of corporation fund to pay Government and other dues.—If a corporation makes default in the payment of any

amount due to the Government, the Karnataka State Electricity Board, the Bangalore Water Supply and Sewerage Board or any other statutory authority, Government may make an order directing the person having the custody of the corporation fund to pay it in priority to any other charge against such fund, and such person shall, so far as the funds to the credit of the corporation admit comply with such order.

487. Period of limitation for making complaints.—

No person shall be liable to be tried for any offence against any of the provisions of this Act, or of any rule, bye-law, regulation or order made under it, unless complaint is made within six months from the commission of the offence, by the police or the commissioner or by a person authorised in this behalf by the corporation or the standing committee or the commissioner ;

Provided that failure to take out a licence, obtain permission or secure registration under this Act shall, for the purposes of this section, be deemed a continuing offence until the expiration of the period, if any, for which the licence, permission or registration is required, and if no period is specified complaint may be made at any time within twelve months from the commencement of the offence.

488. Cognizance of offences.—All offences against this Act, or against any rule, bye-law, regulation or order made under it, whether committed within or without the city, shall be cognizable by a first class magistrate having jurisdiction in the city ; and such first class magistrate shall not be deemed to be incapable of taking cognizance of any such offence or of any offence against any enactment hereby repealed, by reason only of his being liable to pay any corporation rate or other tax or of his being benefited

by the corporation fund to the credit of which any fine imposed by him will be payable.

489. Imprisonment in default of payment and application of fines.—(a) In case any fine, costs, tax or other sum of money imposed, assessed or recoverable by a magistrate under this Act or under any rule, bye-law, or regulation made under it, shall not be paid, the magistrate may order the offender to be imprisoned in default of payment subject to all the restrictions, limitations and conditions imposed in sections 64 to 70 (both inclusive) of the Indian Penal Code.

(b) Any fine, costs, tax or other sum imposed, assessed or recoverable by a magistrate under this Act or any rule, bye-law or regulation made thereunder shall be recoverable by such magistrate, as if it were a fine imposed under the Code of Criminal Procedure 1973 (Central Act II of 1974) and the same shall on recovery be credited to the corporation fund.

490. Payment of compensation for damage to corporation property.—If, on account of any act or omission, any person has been convicted of an offence against the provisions of this Act or against any rule, bye-law or regulation made under it any by reason of such act or omission damage has been caused to any property of the corporation the said person shall pay compensation for such damage, notwithstanding any punishment to which he may have been sentenced for the said offence. In the event of dispute, the amount of compensation payable by the said person shall be determined by the magistrate before whom he was convicted of the said offence on application made to him for the purpose by the commissioner not later than three months from the date of conviction; and in default of payment of the amount of compensation so determined, it shall be recovered under a warrant from the said magistrate as if it were a fine inflicted by him on the person liable therefor.

491. Recovery of tax, etc., by suit.—Nothing herein contained shall preclude the corporation from suing in a civil court for the recovery of any duty, fee, rate, charges or other amount due under this Act.

492. Institution of suits against municipal authority, officers and agents.—(1) No suit for damage or compensation shall be instituted against the corporation or any municipal authority, corporation officer or servant, or any person acting under the direction of the same, in respect of any act done in pursuance or in execution, or intended execution of this Act or any rule, bye-law, regulation or order made under it or in respect of any alleged neglect or default in the execution of this Act or any rule, bye-law, regulation or order made under it until the expiration of one month after a notice has been delivered or left at the corporation office or at the place of abode of such officer, servant or person, stating the cause of action, the relief sought, and the name and place of abode of the intending plaintiff, and the plaint shall contain a statement that such notice has been so delivered or left.

(2) Every such suit shall be commenced, within six months after the date on which the cause of action arose or in case of a continuing injury or damage during such continuance or within six months after the ceasing thereof.

(3) Nothing in this section shall be deemed to apply to any other suit including a suit for injunction.

(4) If any person to whom any notice is given under sub-section (1) tenders amounts to the plaintiff before the suit is instituted, and if the plaintiff, does not recover in any such action more than the amount so tendered he shall not recover any costs incurred after such tender and the defendant shall be entitled to costs as from the date of tender.

(5) Where the defendant in any suit is the commissioner, a corporation officer or servant payment of the sum

or any part of any sum payable by him in or in consequence of the suit, whether in respect of costs, charges, expenses, compensation for damages or otherwise may be made, with the sanction of the standing committee, from the corporation fund.

493. Provisions respecting institution, etc., of civil and criminal actions and obtaining legal advice.—The commissioner may,—

(a) take, or withdraw from proceedings against any person who is charged with,—

(i) any offence against this Act, the rules, bye-laws, or regulations;

(ii) any offence which affects or is likely to affect any property or interest of the corporation or the due administration of this Act;

(iii) committing any nuisance whatsoever;

(b) compound any offence against this Act, the rules, bye-laws, or regulations which may by rules made by the Government be declared compoundable;

(c) defend himself if sued or joined as a party in any proceedings in respect of the conduct of elections;

(d) defend, or compromise any appeal against an assessment or tax;

(e) take, withdraw from or compromise proceedings under sections 412 and 490 for the recovery of expenses or compensation claimed to be due to the corporation;

(f) withdraw or compromise any claim for a sum not exceeding five hundred rupees against any person in respect of a penalty payable under a contract entered into with such person by the commissioner, or with the approval of the standing committee, any such claim for any sum exceeding five hundred rupees;

(g) with the approval of the corporation defend any suit or other legal proceeding brought against the corporation or against any municipal authority, officer or servant,

in respect of anything done, or omitted to be done by them, respectively, in their official capacity ;

(h) with the approval of the standing committee, compromise any claim, suit or other legal proceedings brought against the corporation or against any municipal authority, officer or servant, in respect of anything done or omitted to be done as aforesaid ;

(i) with the approval of the standing committee institute and prosecute any suit or withdraw from or compromise any suit or claim, other than a claim of the description specified in clause (f), which has been instituted or made in the name of the corporation or the commissioner.

(j) obtain such legal advice and assistance as he may think it necessary or expedient to obtain, or as he may be desired by the corporation or the standing committee to obtain, for any of the purposes mentioned in the foregoing clauses of this section or for securing the lawful exercise or discharge of any power or duty vesting in or imposed upon any municipal authority, officer or servant.

494. Indemnity to Government, municipal authorities, officers and agents.—No suit, prosecution or other legal proceedings shall lie against the Government or any municipal authority, officer, or servant or any person acting under the direction of the Government or any municipal authority, officer or servant, in respect of anything in good faith done or intended to be done under this Act, or any rule, bye-law, regulation or order made under it.

495. Liability of commissioner and councillor for loss, waste or misapplication of fund, etc.—(1) The commissioner and every councillor shall be liable for the loss, waste or misapplication of any money or other property owned by or vested in the corporation, if such loss, waste, or misapplication is a direct consequence of his wilful neglect or misconduct and a suit for compensation may be instituted against him by the corporation with the previous sanction of the Government.

(2) Every such suit shall be commenced within three years after the date on which the cause of action arose.

496. Sanction for prosecution of mayor, deputy mayor, etc.—When the mayor or deputy mayor, or any councillor or the commisisoner is accused of any offence alleged to have been committed by him while acting or purporting to act in the discharge of his official duty, no magistrate shall take cognizance of such offence except with the previous sanction of the Government.

497. Assessment, etc., not to be impeached.—(1) No assessment or demand made and no charge imposed under the authority of this Act shall be impeached or affected by reason of any clerical error or by reason of any mistake,—

(a) in respect of the name, residence, place of business or occupation of any person, or

(b) in the description of any property or thing, or

(c) in respect of the amount assessed, demanded or charged :

Provided that the provisions of this Act have in substance and effect been complied with and no proceedings under this Act shall merely for defect in form, be quashed or set aside by any court.

(2) No suit shall be brought in any court to recover any sum of money collected under the authority of this Act or to recover damages on account of any assessment, or collection of money made under the said authority :

Provided that the provisions of this Act have, in substance and effect, been complied with.

(3) No distraint or sale under this Act shall be deemed unlawful, nor shall any person making the same be deemed a trespasser, on account of any error, defect or want of form in the bill, notice, schedule, form, summons,

notice of demand, warrant of distraint, inventory, or other proceeding relating thereto, if the provisions of this Act, the rules and the bye-laws have, in substance and effect, been complied with :

Provided that every person aggrieved by any irregularity may recover satisfaction for any special damage sustained by him.

498. Duties of police officers.—It shall be the duty of every police officer,—

(a) to communicate without delay to the appropriate corporation officer any information which he receives of the design to commit or of the commission of any offence under this Act or any rule, bye-law or regulation made under it ;

(b) to assist the commissioner or any corporation officer or servant, or any person to whom the commissioner has lawfully delegated powers reasonably demanding his aid for the lawful exercise of any power vesting in the commissioner or in such corporation officer or servant or person under this Act or any such rule, bye-law or regulation, and for all such purposes he shall have the same powers which he has in the exercise of his ordinary police duties.

499. Power of police officer to arrest persons.—(1) If any police officer sees any person committing an offence against any of the provisions of this Act or of any rule, bye-law or regulation made under it, he shall, if the name and address of such person are unknown to him and if the said person on demand declines to give his name and address or gives a name and address which such officer has reason to believe to be false, arrest such person.

(2) No person arrested under sub-section (1) shall be detained in custody—

(a) after his true name and address are ascertained,
or

- (b) without the order of a magistrate for any longer time, not exceeding twenty-four hours from the hour of arrest, than is necessary for bringing him before a magistrate.

500. Exercise of powers of police officer by corporation servants.—The Government may empower any corporation officer or servant or any class of corporation officers or servants to exercise the powers of a police officer for the purposes of this Act.

501. Corporation security force.—(1) There shall be constituted and maintained a force to be called the corporation security force,—

- (i) for the better protection and security of the property owned by the corporation ;
- (ii) for aiding the officers of the corporation in the detection and investigation of any matter relating to leakage of revenue or any tax payable to the corporation ;
- (iii) for effective communication and obtaining of any information regarding any design to commit or the commission of any offence by any person under this Act, any rule, bye-law or regulation or order made under it.

(2) The corporation security force shall consist of such number of supervisory officers and members as may be determined by the corporation and shall be appointed by the commissioner in accordance with such rules as may be prescribed.

(3) The commissioner shall exercise powers of superintendence and control over the corporation security force and matters relating to recruitment and conditions of service, the conduct, and discipline of the members of the security force shall be governed by such rules as may be prescribed.

502. Application of term "public servant", to corporation officers, agents and sub-agents.—Every councillor, officer or servant, every contractor or agent for the collection of any corporation tax, fee or other sum due to the corporation and every person, employed by any such contractor or agent for the collection of such tax, fee, or sum shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

503. Prohibition against obstruction of proceedings of corporation, standing committee, mayor, etc.—No person shall obstruct any proceedings of the corporation or any standing committee, the mayor or deputy mayor, and councillor, the commissioner or any person employed by the corporation or any person with whom the commissioner has entered into a contract on behalf of the corporation in the performance of their duty or of anything which they are empowered or required to do by virtue of or in consequence of this Act or of any rule, bye-law, regulation or order made under it.

504. Prohibition against removal of mark.—No person shall remove any mark set up for the purpose of indicating any level or direction incidental to the execution of any work authorised by this Act or any rule, bye-law, regulation or order made under it.

505. Prohibition against removal or obliteration of notice.—No person shall, without authority in that behalf, remove, destroy, deface or otherwise obliterate any notice exhibited by or under the orders of the corporation, a standing committee or the commissioner.

506. Prohibition against unauthorised dealings with public place or materials.—No person shall, without authority in that behalf, remove earth, sand or other material or deposit any matter or make any encroachment from, in,

or on any land vested in the corporation or water-courses (not being private property), or in any way obstruct the same.

..507. Bidding prohibited.—(1) No employee or officer of the corporation having any duty to perform in connection with the sale of movable or immovable property by or on behalf of the corporation under this Act shall directly or indirectly bid for or acquire interest in any property sold at such sale.

(2) Any person who contravenes the provisions of sub-section (1) shall, be punished with fine which may extend to five hundred rupees and shall also be liable to dismissal from service.

508. Offence by companies.—(1) Where any offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purpose of this section—

(a) “company” means a body corporate, and includes a firm

(b) “director” in relation to a firm means a partner in the firm.

509. Effect of absorption of panchayat area into a city.—If any local area consisting of one or more revenue villages in respect of which a panchayat has been constituted under the Karnataka Village Panchayats and Local Boards Act, 1959, is included in a city by virtue of a notification under sub-section (1) or section 5, then, notwithstanding anything contained in this Act or in the Karnataka Village Panchayats and Local Boards Act, 1959, but subject to the provisions of section 5 of this Act, with effect from the date on which such area is included in a city, the following consequences shall ensue, namely:—

(a) the panchayat of such local area (hereinafter referred to as the panchayat) shall cease to exist and the Taluk Development Board of the Taluk in which such area is situated shall cease to have jurisdiction over such area;

(b) the unexpended balance of the panchayat fund and the property (including areas of rates, taxes and fees) belonging to the panchayat and all rights and powers which prior to such notification, vested in the panchayat shall, subject to all charges and liabilities affecting the same, vest in the corporation of the city (hereinafter referred to as the corporation);

(c) any appointment, notification, notice, tax, order, scheme, licence, permission, rule, bye-law or form, made, issued, imposed or granted under the Karnataka Village Panchayats and Local Boards Act, 1959 immediately before the said date in respect of the said local area shall continue in force and be deemed to have been made, issued, imposed or granted under

this Act until it is superseded or modified by any appointment, notification, notice, tax, order, scheme, licence, permission, rule, bye-law or form, made, issued, imposed or granted under this Act;

- (d) all budget estimates, assessments, assessment lists, valuations or measurements, made or authenticated under the Karnataka Village Panchayats and Local Boards Act, 1959, immediately before the said date in respect of the said local area shall be deemed to have been made or authenticated under this Act;
- (e) all debts and obligations incurred and all contracts made by or on behalf of the panchayat immediately before the said date and subsisting on the said date shall be deemed to have been incurred and made by the corporation in exercise of the power conferred on it by this Act;
- (f) all officers and servants in the employ of the panchayat immediately before the said date shall be officers and servants of the corporation under this Act and shall, until other provision is made in accordance with the provisions and be subject to the conditions of service to which they were entitled or subject immediately before such date;

Provided that it shall be competent to the corporation, subject to the previous sanction of the Government, to discontinue the services of any officer or servant, who, in its opinion, is not necessary or suitable for the requirements of the service under the corporation after giving such officer or servant such notice as is required to be given by the terms of his employment and every officer or servant whose services are dispensed with shall be

entitled to such leave, pension, provident fund and gratuity as he would have been entitled to take or receive on being invalided out of services, as if the panchayat, in the employ of which he was, had not ceased to exist ;

- (g) all proceedings pending on the said date before the panchayat shall be deemed to be transferred to any shall be continued before the corporation ;
- (h) all appeals pending before any authority shall, so far as may be practicable, be disposed of as if the said local area had been included in the city when they were filed ;
- (i) all prosecutions instituted by or on behalf of the panchayat and all suits or other legal proceedings instituted by or against the panchayat or any officer of the panchayat pending on the said date shall be continued by or against the corporation as if the said local area had been included in the city when such prosecutions, suits or proceedings were instuted ;
- (j) all arrears of rates, taxes and fees vesting in the corporation shall, notwithstanding that such rates and fees cannot be levied under this Act, be recoverable in the same manner as a tax recoverable under this Act ;
- (k) until the reconstitution of the corporation in accordance with the provisions of this Act, notwithstanding anything to the contrary contained in section 24 of this Act, such number of persons ordinarily resident in the local area included in the city who are nominated by the Government shall be additional councillors of the corporation.

510. Effect of absorption of a part of a panchayat area into a city.—If any part of an area within the limits

of a panchayat is included in a city, then, notwithstanding anything contained in this Act or in the Karnataka Village Panchayats and Local Boards Act, 1959, but subject to the provisions of section 5 of this Act with effect from the date on which such area is included in the city, the following consequences shall ensue, namely :—

(a) so much of the Panchayat Fund and other property vesting in the panchayat shall be transferred to the corporation fund as the Government may, by order in writing, direct ;

(b) the rights and liabilities of the panchayat in respect of civil and criminal proceedings, contracts, and other matters or things (including arrears of taxes, fees and cess) arising in or relating to any part of the area included in the city shall vest in the corporation ; and such rights and liabilities may be enforced by or against the corporation under this Act or the rules, bye-laws and orders made thereunder ;

(c) such officers and servants of the panchayat shall be transferred to the corporation as the Government may, by order, direct ;

(d) if the area included is an area in which not less than ten thousand persons reside, until the reconstitution of the corporation in accordance with the provisions of this Act, one person ordinarily resident in such area who is nominated by the Government shall be an additional councillor of the corporation.

511. Special provisions as to rural areas.—Notwithstanding anything contained in the foregoing provisions of this Act,—

(a) a corporation with the previous approval of the Government may by notification.—

(i) exempt the rural areas or any portion thereof from such of the provisions of this Act as it deems fit ;

(ii) levy taxes, rates, fees and other charges in the rural areas or any portion thereof at rates lower than those at which such taxes, rates, fees and other charges are levied in the urban areas or exempt such areas or portion from any such tax, rate, fee or other charge;

(b) the corporation with the previous approval of the Government may, by notification declare that any portion of the rural areas shall cease to be included therein and upon the issue of such notification, that portion shall be included in and form part of the urban area.

Explanation.—In this section.—

(i) “rural areas” means, the areas of the city which immediately before the date of their inclusion in the city were situated within the local limits of any Panchayat established under the Karnataka Village Panchayats and Local Boards Act, 1959, but shall not include such portion thereof as may by virtue of a notification under clause (b) of this section cease to be included in the rural areas as herein defined;

(ii) “urban areas” means the areas of the city which are not rural areas.

512. Declaration of a city municipality as a city under this Act.—(1) Subject to the provision of section 3 the Government may declare by notification that any city municipality constituted under the Karnataka Municipalities Act, 1964 (Karnataka Act 22 of 1964) shall with effect from a date to be specified in such notification be a city constituted under section 3 of this Act.

(2) The provisions of the Karnataka Municipalities Act 1964 applicable to such city municipality shall not apply to any local area declared as a city under sub-section (1) with effect from the date specified in the declaration:

Provided that any appointment, notification, notice, tax, order, scheme, licence, permission, rule, bye-law or

form, made or issued or imposed under the said Act in respect of such city municipality which were in force as applicable immediately before the date specified under sub-section (1) shall continue in force and be deemed to have been made, issued or imposed under the provisions of this Act, unless and until it is superseded by any appointment, notification, notice, tax, order, scheme, licence, permission, rule, bye-law or form, made or issued or imposed under this Act.

(3) With effect from the date of declaration of any area as a city under sub-section (1) the following consequences shall ensue, namely :—

- (a) the body functioning as a city municipal council under the Karnataka Municipalities Act, 1964 immediately before the date of the said declaration in respect of the said area shall become a body competent to exercise the powers and perform the duties conferred by the provisions of this Act on a corporation in respect of the said area until a corporation is duly constituted for the area within the jurisdiction of such body under the provisions of this Act,
- (b) the councillors of the city municipal council holding office as such immediately before the said date shall become councillors of the corporation,
- (c) the president of the said city municipal council shall become the mayor of the said corporation and discharge duties and perform functions of the mayor under this Act and the vice-president of the said city municipal council shall become the deputy mayor of the said corporation under this Act.
- (d) the unexpended balance of the municipal fund and the property (including arrears of rates, taxes and fees) belonging to the said city

municipal council and all rights and powers which prior to the said declaration vested in the city municipal council shall subject to all charges and liabilities affecting the same vest in the corporation as the corporation fund.

- (e) Any appointment, notification notice, tax, order, scheme, licence, permission, rule, bye-law or form, made, issued under any other law in respect of such municipality shall continue in force and be deemed to have been made, issued or imposed under the provisions of this Act, unless and until it is superseded by any appointment, notification, notice, tax, order, scheme, licence, permission, rule, bye-law or form, made or issued or imposed under this Act.
- (f) all budget estimates, assessments lists, valuation or measurements made or authenticated under the Karnataka Municipalities Act, 1964 immediately before the said date shall be deemed to have been made a authenticated under this Act ;
- (g) all debts and obligations incurred and all contracts made by or on behalf of the city municipal council immediately before the said date and substing on the said date shall be deemed too have been incurred and made by the corporation in exercise of the powers conferred on it by or under this Act ;
- (h) all proceedings pending prior to the said declaration before the city municipal council shall be continued by the corporation ;
- (i) all appeals pending before any authority shall so far as may be practicable, be disposed of as if the said area had been included in the corporation when they were filed ;

- (j) all prosecutions instituted by or on behalf of the city municipal council and all suits or other legal proceedings instituted by or against the city municipal council or any officer of the city municipal council pending at the said date shall be continued by or against the corporation as if such area had been included in the corporation when such prosecutions, suits or proceedings were instituted ;
- (k) all officers and servants in the employ of the city municipal council immediately before the said date shall be officers and servants of the corporation under this Act and shall, until other provision is made in accordance with the provisions of this Act, receive salaries and allowances and be subject to the conditions of service to which they were entitled or subject immediately before such date ;

the corporation after giving such officer notice, subject to the previous sanctions of the Government, to discontinue the services of any officer or servant, who, in its opinion, is not necessary or suitable for the requirements of the municipal service after giving such officer or servant such notice as is required to be given by the terms of his employment and every officer or servant whose services are dispensed with shall be entitled to such leave, pension provident fund and gratuity as he would have been entitled to take or receive on being invalided out of service, as if the city municipal council in the employ of which he was, had not ceased to exist ;

(4) A corporation shall be duly constituted for the city under this Act before the expiry of such period as the Government may by notification specify and from the date

of the first meeting of the corporation as so constituted the body exercising the powers and performing the duties of the corporation shall be stand dissolved.

(5) The properties, rights and liabilities of the municipal council of a city municipality declared as a city under sub-section (1) shall vest in the corporation of the said city with effect from the date specified in the notification.

513. The provisions of the Karnataka Agricultural Produce Markets Act 1966 not affected.—The provisions of this Act insofar as they relate to markets and other premises shall not be applicable to any market established under the Karnataka Agricultural Produce Markets Act, 1966 and the provisions of this Act with respect to any other market shall be in addition to and not in derogation of the said Act.

514. Exercise of powers by a corporation to be in conformity with the provisions of the Karnataka Town and Country Planning Act, 1961.—Notwithstanding anything contained in this Act, a corporation or any officer or other authority required by or under this Act to exercise any power, or perform any function or discharge any duty,—

(i) with regard to any matter relating to land use or development as defined in the Explanation to section 14 of the Karnataka Town and Country Planning Act, 1961. shall exercise such power, or perform such function or discharge such duty with regard to such land use or development plan or where there is no development plan, with the concurrence of the Planning Authority ;

(ii) shall not grant any permission, approval or sanction required by or under this Act to any person if it relates to any matter in respect of which compliance with the provisions of the Karnataka Town and Country Planning Act, 1961 is necessary unless evidence in support of having complied with the provisions of the said Act is produced by such person to the satisfaction of the corporation or the officer or other authority, as the case may be.

515. Transitional and transitory provisions.—(1) Notwithstanding anything contained in this Act until the constitution of a corporation in accordance with the provisions of this Act for the City of Bangalore and the City of Hubli-Dharwar ;

(i) the corporation of the City of Bangalore constituted under the City of Bangalore Municipal Corporation Act, 1949 and the Hubli-Dharwar Corporation constituted under the Bombay Provincial Municipal Corporations Act 1949, functioning immediately before the commencement of this Act, shall on and from the date of such commencement become bodies competent to exercise the powers and in respect of the City of Bangalore and the City of Hubli-Dharwar as the case may be ;

(ii) the persons holding office immediately before the date of commencement of this Act, as mayor, deputy mayor or councillors of the City of Bangalore Corporation of the Hubli-Dharwar Corporation, as the case may be shall with effect from such date become mayor, deputy mayor or councilor respectively of the corporation of the City of Bangalore or the corporation of the City of Hubli Dharwar, as the case may be and they shall continue to discharge the functions conferred on a mayor, deputy mayor, or councillor as the case may be under this Act until a mayor, a deputy mayor, or councillor are elected in accordance with this Act for the corporations of the City of Bangalore or the City of Hubli Dharwar as the case may be constituted under this Act.

(iii) the standing committees functioning immediately before the commencement of this Act shall stand dissolved with effect from the date of such commencement and the chairmen and members of such standing committee shall cease to be chairman and members respectively, and the corporation of the city of Bangalore and the corporation of the city of Hubli-Dharwar shall at their first meeting immediately after the commencement of this Act elect members of the standing committees as provided for in this Act and the standing committee so constituted shall elect

the chairman in accordance with the provisions of this Act and such standing committees shall exercise the powers and perform the functions of the standing committee under this Act until standing committees are constituted by the said corporation after the general elections are held in accordance with the provisions of this Act.

(iv) subject to any order made under section 517 casual vacancies in the seats of councillors of the bodies exercising the powers and performing the duties of a corporation under this sub-section shall be filled and all matters in connection with the filling up of such vacancies shall be regulated in accordance with the provisions governing the filling of such vacancies and regulating such matters immediately before the date in city of Bangalore and the city of Hubli Dharwar such of commencement of this Act.

(2) A corporation shall be duly constituted under provisions of this Act, before the expiry of such period from the date of commencement of this Act as the Government may by notification specify in respect of the City of Bangalore and the City of Hubli-Dharwar as the case may be and from the date of the first meeting of the corporation as so constituted the bodies exercising the powers and performing the duties of a corporation shall stand dissolved.

516. Repeal and savings.—The City of Bangalore Municipal Corporation Act, 1949 (Mysore Act LXIX of 1949) and the Bombay Provincial Municipal Corporation Act, 1949 (Bombay Act LIX of 1949) shall stand repealed :

Provided that such repeal shall not affect—

- (a) the previous operation of the said enactments or anything duly done or suffered thereunder ;
or
- (b) any right, privilege, obligation or liability acquired, accrued or incurred under the said enactments ; or
- (c) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said enactments ; or

(d) any investigation, legal proceeding, or remedy in respect of any such right, privilege, obligation, liability, forfeiture or punishment as aforesaid ;

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and such penalty forfeiture or punishment may be imposed as if this Act had not been passed ;

Provided further that subject to the preceding proviso anything done or any action taken (including any appointment or delegation made, tax, duty, fee, or cess imposed, notification, order, instrument, or direction issued, rule, regulation, form bye-law or scheme framed, certificate regulation, form, bye-law or scheme framed, certificate obtained, permit or licence granted or registration effected) under the said enactments shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until superseded by anything done or any action taken under this Act ;

Provided also that notwithstanding anything contained in the preceding provisos where any tax, duty, fee or cess other than a duty on transfers of immovable properties has been imposed under the said enactments at a rate higher than the maximum rate permissible under this Act, such tax, duty, fee or cess may continue to be imposed and collected at such higher rate unless and until superseded by anything done or any action taken under this Act.

Provided also that any reference in any enactment or in any instrument to any provision of any of the repealed enactments shall, unless a different intention appears, be constructed as reference to the corresponding provision of this Act.

(2)Notwithstanding anything contained in sub-section (1), any tax, duty, fee, or cess imposed under the said enactments may, notwithstanding that such tax, duty fee or cess cannot be imposed under the provisions of this Act-

be continued to be levied and recovered as if the provisions of such enactments the rules, bye-laws, orders and notifications made or issued thereunder relating to such levy and recovery had not been repealed.

517. Orders for bringing this Act into force.—Notwithstanding anything contained in this Act or in any other law, the Government may by order published in the official Gazette make such provision not inconsistent with the provisions of this Act as appears to it to be necessary or expedient—

- (a) for bringing the provisions of this Act into effective operation ;
- (b) for making omissions from, additions to and adaptations and modifications of the rules, bye-laws, regulations, notifications and orders in their application to any corporations.
- (c) for removing difficulties arising in connection with the transition to the provisions of this Act ;
- (d) for authorising the continued carrying on for the time being on behalf of corporations of the services and activities previously carried on by them ;
- (e) so far as it appears necessary or expedient in connection with any of the matters aforesaid for varying the powers or jurisdiction of any court or authority and empowering new courts or other authorities to exercise such jurisdiction as may be specified in such order.

(2) Any order under sub-section (1) may be either prospective or retrospective in operation as may be specified in such order.

(3) All orders made under sub-section (1) shall be laid before both Houses of the State Legislature and shall, subject to such modification as the State Legislature may make during the session in which they are so laid, have effect as if enacted in this Act.

SCHEDULE I

*Rules of procedure for the conduct of business of the corporation
and committees**(see section 78)*

1. In these rules, 'member' means a councillor.

2. The corporation shall meet in the corporation office for the transaction of business at least once every month upon such day and such hours as may be arranged and also at other times as often as a meeting may be convened by the mayor :

Provided that no meeting shall be held or continued of any day earlier than 8-00 A.M. or later than 7-00 P.M.

3. (1) No meeting shall be held unless at least six clear days before the day of meeting.

(a) notice of the day and hour when the meeting is to be held and of the business to be transacted thereat has been given to the members, and

(b) notice of the day and hour of the meeting has been given by advertisement in the local newspapers.

(2) In cases of urgency, the mayor may convene a meeting after giving to the members shorter notice than that specified in sub-rule (1). In such cases notice of the day and hour of the meeting shall be published in such manner as the mayor may deem most expedient.

4. At an ordinary meeting held in each of the months of April, June, August, October, December and February, the mayor shall place before the corporation a statement of receipts and disbursements on account of the corporation fund from the close of the last preceding year unto the close of the month before that in which the meeting takes place.

5. (1) The mayor shall call a special meeting on receiving a request in writing signed by the not less than twelve members specifying the resolution which it is proposed to move.

(2) No special meeting shall be held unless at least for clear days notice, specifying the purpose for which such meeting is to be held and the date and hour thereof, has been given by a separate communication addressed to each member by the advertisement in the local newspapers.

6. If the offices of mayor and deputy mayor are vacant, the duties assigned to the mayor by rules 2 to 5 shall be performed by the commissioner.

7. All meetings of the corporation shall be open to the public provided that the mayor, deputy mayor or presiding member may direct that the public generally or any particular person shall withdraw.

8. All questions which may come up before the Corporation at any meeting shall be decided by a majority of the votes of members present and voting at the meeting and in every case of equality of votes, the mayor, deputy mayor or presiding member shall have and exercise a second or casting vote.

9. No business shall be transacted at any meeting unless there be present at least twenty members.

10. No resolution of the corporation shall be modified or cancelled within three months after the passing thereof except at a meeting specially convened in that behalf and by a resolution of the corporation supported, by not less than thirty members.

11. (1) Minutes of the proceedings of the corporation shall be entered in Kannada and in English in a book to be called the minute book specifying the names of the councillors who attended the meeting, the business transacted, the decision of the corporation in respect of each item of business, the date of the meeting and the time of commencement and closing of the meeting and shall be signed by the mayor, deputy mayor or presiding member after each meeting.

(2) The minute book shall be open at the corporation office at all reasonable time to the inspection of any councillor without payment and to the inspection of any other person on payment of a fee of fifty paise.

12. The commissioner may grant copies of the proceedings of the corporation and the standing committees on payment of such fees as the corporation may by general or special order determine.

13. No subject which is not connected with the business of the corporation under this Act, the rules, the regulations or the bye-laws shall be raised or allowed to be raised or be included in the agenda of any meeting of the corporation.

14. The mayor or deputy mayor or the member presiding over a meeting shall preserve order thereat and shall have all the powers necessary for the purpose of enforcing his decisions.

15. During a meeting of the corporation, a member—

- (i) shall read any book, newspaper or letter except in connection with the business of the corporation ;
- (ii) shall not interrupt any member while speaking by disorderly expression or noise or in any other disorderly manner ;
- (iii) shall not leave the meeting when the person presiding addressing the meeting ;
- (iv) shall always address the person presiding ;
- (v) shall maintain silence when not speaking in the meeting ;
- (vi) shall not obstruct proceedings, his or interrupt and shall avoid making running commentaries when speeches are being made in the meeting ;

16. A member while speaking shall not,—

- (i) refer to any matter of fact on which judicial decision is pending ;
- (ii) make a personal charge against a member ;
- (iii) use offensive expression about the conduct, or proceeding, of members of, Parliament or Statet Legislature ;
- (iv) utter treasonable, seditious or defamatory words ;
- (v) use his right of speech for the purpose of obstructing the business of the corporation.

17. The mayor or deputy mayor or the member presiding over a meeting may direct any councillor whose conduct is in his opinion grossly disorderly to withdraw immediately from the meeting and any councillor so directed to withdraw shall do so forthwith and shall absent himself during the remainder of the day's meeting.

18. (1) The person presiding may, if he deems it necessary name a member who disregards the authority of the Chair or abuses the rules of procedure by persistently and wilfully obstructing the transaction of business of the corporation meeting.

(2) If a member is so named by the person presiding he shall forthwith put the question that the member (naming him) be suspended from the meeting of the corporation for such days as the person presiding may specify in the question :

Provided that the corporation may at any time on a motion being made resolve that such suspension be terminated.

(3) A member suspended under this rule shall forthwith withdraw from the place of the meeting. If the member refuses to withdraw from the meeting, the person presiding may cause such person to have him bodily removed by the use of minimum force necessary for enforcing his decision.

19. In all matters not specifically provided for in this Act, regulations, bye-laws or the rules in regard to matters relating to conduct of business, at a meeting of the corporation, the person presiding shall have and may exercise such powers as are necessary for the efficient discharge of his functions.

THE STANDING COMMITTEES

20. Each standing committee shall meet at the corporation office at least once a month on such day and such hour as the standing committee shall from time to time determine.

21. The chairman of a standing committee may, at any time, call a meeting of the committee and shall do so within forty-eight hours of the receipt of a requisition signed by the commissioner or by three members if the committee and stating the business to be transacted.

22. All questions which may come up before a standing committee at any meeting shall be decided by the majority of the votes of the members present and voting at the meeting and in every case of equality of votes, the chairman or presiding member shall have exercise a second or casting vote.

23. (1) All minutes of the proceedings of each standing committee shall be entered in a book and shall be signed by the chairman or presiding member after each meeting.

(2) The minute book shall be placed before the corporation at its next meeting.

24. In any case in which two or more standing committees have passed conflicting decisions, and such conflict has not been adjusted or otherwise dealt with by a conference of such committees or a joint committee as provided in sub-section (4) of section 69 the commissioner shall submit a report to the mayor who shall place the subject before a meeting of the corporation and pending the resolution of the commissioner shall withhold all action in regard to the matter at issue.

25. Any member of a standing committee, other than the mayor or deputy mayor, who fails to attend four consecutive meetings, shall cease to be a member of such standing committee but may be re-elected by the corporation.

26. Every resolution of a standing committee shall be made available to every member of the committee within fifteen days from date of the passing of such resolution and the corporation may, on a motion by any member of the corporation modify or amend or revoke any such resolution.

MISCELLANEOUS

27. The provisions of rules 20 to 26 shall mutatis mutandis be applicable in respect other committees constituted under this Act.

SCHEDULE II

ESSENTIAL SERVICES

(See Sections 2 (10) and 99)

CLASS I

- (a) Scavenging or clearing streets or premises.
- (b) Maintaining, repairing, cleansing or flushing drains.
- (c) Removing or disposing of excrementitious or polluted matter from houses, privies, urinals or cesspools.
- (d) Removing carcasses.
- (e) Preventing nuisances generally.

CLASS II

- (a) Fire brigade service.
- (b) Services in connection with the maintenance or service of any corporation water works, drains, pumping stations or fire hydrant, including—
 - (i) Inspectors,
 - (ii) Sub-Inspectors,
 - (iii) Foremen,
 - (iv) Mechanics,
 - (v) Drivers,
 - (vi) Watchmen,
 - (vii) Labourers,
 - (viii) Workmen.
- (c) Lamp lighters.

SCHEDULE III.

TAXATION RULES.

(see sections 110 and 157)

PART I.

Provisions common to taxes in general.

1. (1) The commissioner shall prepare and keep assesment books in such form and in such parts and sections as he thinks fit, showing the persons and property liable to taxation under this Act.

(2) The assessment books and where detailed particulars relateing to any assessment are kept in separate records, the portion thereof containing such particulars shall be open at all reasonable times and without charge to inspection by any person who pays any tax to the corporation or his authorised agent and such person or agent shall be entitled to tak extract free of charge from the said books and records.

(3) The account books of the corporation shall be open without charge to inspection by any person who pays tax to the corporation or authorised agent on a day or days in each month to be fixed by the corporation.

2. The commissioner shall, save as otherwise provided in this Act, determine the tax to which each property or person is liable :

Provided that in the case of taxes payable by the commissioner the original assessment shall be made by the mayor.

3. (1) The commissioner shall give to every person making payment of a tax a receipt therefor signed by him or some person duly authorised by him in that behalf.

(2) Such receipt shall specify—

- (a) the date of the thereof ;
- (b) the name of the person to whom it is granted ;
- (c) the tax in respect of which payment has been made and in the case of property tax, also the property in respect of which payment has been made ;
- (d) the period for which payment has been made ; and
- (e) the amount paid.

PART II

Assessment of Property tax.

4. The commissioner shall enter in the assessment books the nanu value of all buildings and lands and the tax payable thereon. Such ooks shall also record the following particulars with regard to each assessable item—

- (i) the serial number, description and name (if any) of the item ;
- (ii) the name of the division and of the street, if any, in which it is situated and any survey or other number which it bears ;
- (iii) the name of the owner ;
- (iv) the name of the occupier ;
- (v) the rateable value ;
- (vi) the amount of the tax payable.

5. The assessment books shall be completely revised by the commissioner once in every five years.

6 An assessment once made shall cintinue in force until it is revised and until the revised assessment takes effect.

7. When assessment books have been prepared for the first time and whenever a general revision of such books has been completed, the commissioner shall give public notice—

(a) specifying the time when and the place where the books may be inspected ; and

(b) stating that revision petitions will be considered if they reach the corporation office within thirty days from the date of such notice :

Provided that in every case where there is an enhancement in the assessment, the commissioner shall also cause intimation thereof to be given by a special notice to be served on the owner or occupier of the property concerned :

Provided further that in every case where a special notice is required to be served on the owner or occupier under the first proviso, the period of thirty days referred to in clause (b) shall be calculated from the date service of such special notice.

8. The commissioner may, after giving notice to the parties concerned and hearing their objections, if any, amend the property tax assessment books at any time between one general revision and another by inserting therein or removing therefrom any property or by altering the valuation of any property or the amount of tax. Such amendment shall be deemed to have taken effect on the first day of the half-year in which it is made :

Provided that when the amendment is made in any half-year after the demand notice for that half year has been issued, it shall have effect only from the succeeding half-year.

9. In every case in which between one general revision and another commissioner assesses any property for the first time or increases the assessment on any property otherwise than in consequence of a general enhancement of the rate at which the property tax is leviable, the commissioner shall intimate by a special notice to the owner or occupier of such property that a petition for revising the assessment will be considered if it reaches the corporation office within thirty days from the date of service of such notice.

10. Any person may, at any time, not being less than thirty days before the end of a half-year, move the commissioner by revision petition to reduce the tax to which he is liable for the forthcoming half-year on the ground that the property in respect of which the tax is imposed has decreased since the assessment of the property was last made or revised.

11. No petition under rules 7, 9 or 10 shall be disposed of unless the petitioner has been given a reasonable opportunity to appear either in person or by authorised agent and to represent his case.

12. Immediately after the disposal of a revision petition, the commissioner shall inform the petitioner or his authorised agent, in writing of the orders passed thereon shall direct him to pay the amount fixed on revision within fifteen days after the date of receipt of such intimation or if the amount is not already due, within fifteen